

**SURREBUTTAL TESTIMONY AND EXHIBIT**

**OF**

**O'NEIL O. MORGAN**

**ON BEHALF OF**

**THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF**

**DOCKET NO. 2021-2-E**

**IN RE: ANNUAL REVIEW OF BASE RATES FOR FUEL COSTS FOR**

**DOMINION ENERGY SOUTH CAROLINA, INCORPORATED**

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.**

**A.** My name is O'Neil O. Morgan. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as a Senior Engineer in the Utility Rates and Services Division of the Office of Regulatory Staff ("ORS").

**Q. DID YOU PREVIOUSLY FILE DIRECT TESTIMONY IN THIS PROCEEDING?**

**A.** Yes. I previously provided Direct Testimony and one (1) exhibit on March 16, 2021 related to the Annual Review of Base Rates for Fuel Costs for Dominion Energy South Carolina, Inc. ("DESC" or "Company") in compliance with S.C. Code Ann. § 58-27-865 (Supp 2021).

**Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?**

**A.** The purpose of my Surrebuttal Testimony is to respond to the updated exhibits provided in Company witness Rooks' Corrected and Responsive Testimony. Specifically, my Surrebuttal Testimony will focus on the updated Distributed Energy Resource Program

1 (“DERP”) incremental forecast costs presented in Company witness Rooks’ Corrected  
2 Exhibit Nos. (AWR-8 and AWR-9).

3 **Q. DID THE CORRECTED EXHIBITS OF COMPANY WITNESS ROOKS RESULT**  
4 **IN A CHANGE TO THE DERP CHARGES ORIGINALLY PROPOSED BY THE**  
5 **COMPANY?**

6 **A.** Yes. The updated DERP incremental forecast costs reduces the annual proposed  
7 DERP charge for the Small and Medium General Service customer class from \$73.99 to  
8 \$73.85. The Residential and Large General Service customer classes were not impacted by  
9 this update because the forecast charges are above the caps set forth in Act 236. My  
10 Surrebuttal Exhibit OOM-1 details the updated DERP Charge by class.

11 **Q. WHY DID THE COMPANY MAKE THIS CORRECTION?**

12 **A.** The Company made this correction in response to an ORS discovery request  
13 pertaining to an error in the Company’s forecasted costs in the months of October and  
14 November of 2021, regarding the timing of an outage at the Jasper Generation Station. The  
15 Company agrees with ORS and made the correction which impacted the DERP charges  
16 originally proposed by the Company.

17 **Q. DOES ORS AGREE WITH THE COMPANY’S UPDATED DERP**  
18 **INCREMENTAL COSTS AND THE ANNUAL DERP CHARGE AS PRESENTED**  
19 **BY COMPANY WITNESS ROOKS?**

20 **A.** Yes. ORS reviewed the Company’s proposed tariffs and supporting calculations  
21 and found them to be reasonable and in line with the methodology approved in Commission  
22 Order No. 2015-194.

**Q. DID THE COMPANY RESPOND TO ORS'S RECOMMENDATIONS REGARDING THE PROPOSED UPDATES TO THE SECOND AND THIRD NET ENERGY METERING ("NEM") RIDERS FOR THE RENEWABLE ENERGY FACILITIES TARIFFS THE COMPANY INCLUDED IN ITS FILING?**

**A.** Yes. Company witness Rooks' Corrected Exhibit Nos. (AWR-12, -13, -14, & -15) provide the redlined and clean versions of the Company's current NEM Riders, with the updated NEM values proposed in the Corrected Direct Testimony of Company witness Bell. ("Table 2 on page 10")

**Q. WILL YOU UPDATE YOUR SURREBUTTAL TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?**

**A.** Yes. ORS fully reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources, becomes available.

**Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?**

**A.** Yes.

**Office of Regulatory Staff**  
**Calculation of DERP Charge**  
**Dominion Energy South Carolina, Inc.**  
*Docket No. 2021-2-E*

<b>(Over)/Under- Recovery of DERP Incremental Costs January 2020 through April 2021</b>			
	<b>Residential</b>	<b>Small and Medium General Service</b>	<b>Large General Service</b>
Cumulative (Over)/Under-Recovery	\$3,618,507	\$2,002,392	\$1,497,782
<b>(Over)/Under- Recovery of DERP Incremental Costs May 2021 through April 2022</b>			
	<b>Residential</b>	<b>Small and Medium General Service</b>	<b>Large General Service</b>
Cumulative (Over)/Under-Recovery	\$10,281,688	\$5,689,620	\$4,204,670
<b>Total DERP Charge January 2020 through April 2022</b>			
	<b>Residential<sup>1</sup></b>	<b>Small and Medium General Service</b>	<b>Large General Service<sup>2</sup></b>
Cumulative Under-Recovery through April 2022	\$13,900,175	\$7,692,012	\$5,684,451
Number of Accounts	662,770	104,156	317
Annual Cost (\$)	\$12.00	\$73.85	\$1,200.00
<b>Monthly DERP Charge (\$)</b>	<b>\$1.00</b>	<b>\$6.15</b>	<b>\$100.00</b>

<sup>1</sup> Residential monthly charges are capped in compliance with Act 236.

<sup>2</sup> Large General Service monthly charges are capped in compliance with Act 236.